



## **Doing Business in Benin: 2009 Country Commercial Guide for U.S. Companies**

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## Chapter 1: Doing Business in Benin

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### Market Overview

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- Benin has a stable democracy and a small domestic market. The country's key economic indicators for 2008 are as follows: estimated nominal GDP: \$5.93 billion; Estimated Real GDP growth rate for 2008: 5.3%; Per capita GDP: \$738.6, Inflation rate: 8.8%; Population 8.1 million. Benin's GDP is roughly 80 percent agriculture, 12 percent services, and eight percent manufacturing. Cotton production and processing alone account for about one third of GDP.
- In 2007 Benin's export's amounted to \$259 million. In 2007 Benin imported \$1.2 billion worth of goods including foodstuffs, tobacco, petroleum products, energy products, capital goods, and used cars. Benin's major trade partners include Nigeria, France, China, Italy, Brazil, Libya, Indonesia, U.K., and Cote d'Ivoire.
- Currently, trade between Benin and the United States of America is small, but interest in American products is growing. The trade balance is in favor of the United States of America and amounts to \$815.2 millions. The largest sector of trade is in transportation and power generation equipment. Benin has been eligible for the African Growth and Opportunity Act (AGOA) since the program began in 2000. It qualified for AGOA textile and apparel benefits in January 2004.

### Market Challenges

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- Benin's official language is French, and English is not spoken widely. U.S. companies seeking to do business in Benin will probably need to hire a translator and/or Interpreter for assistance.
- Recourse to the judicial system to resolve a civil dispute is extremely time consuming and resolution of judicial disputes is slow. Corruption and slowness in bureaucratic processes can also pose a problem.
- The biggest challenge facing many U.S. businesses exporting to Benin is the difficulty in finding consolidators who can ship smaller orders in ocean-bound freight containers at a competitive price and frequency.

- Businesses should be particularly cautious about unknown Beninese "companies" promising them big business deals. Unfortunately, a number of perpetrators of sophisticated internet scams use Benin as a base to defraud U.S. companies and citizens with "419" scams (e.g. advance fees), so named for the relevant section of Nigerian law. Potential U.S. investors and exporters can ask the Economic Section at the U.S. Embassy Cotonou or the Commercial Section in at the U.S. Embassy in Dakar to verify the bonafides of their proposed business partners in Benin.

## Market Opportunities

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- Despite its small market size, Benin may be used, with its fairly efficient port, as a re-exporting country for its landlocked neighboring countries and for Nigeria which has a market of 150 million consumers.
- U.S. companies could find success in exporting electronic products, cosmetics and toiletries, telecommunications equipment, electrical power systems, transportation equipment, cotton industry equipment, and medical equipment.
- The best prospects for major projects are infrastructure projects (road, airport, port and rail way construction), housing, telecommunications, tourism, and the energy production sector.

## Market Entry Strategy

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- Many exporters may find it necessary to employ the services of a local agent or who knows Benin well and can advise an exporter or investor on entry into the Beninese market.
- Investors or exporters can also use the Foreign Commercial Service's Gold Key Program or the International Company Profile (ICP) program to gain more information about the Beninese market and arrange meetings and contacts with possible clients in Benin.
- For those investors who wish to establish a business in Benin the government has established a Corporate Formalities Center (CFC) at the Benin Chamber of Commerce and Industry's (CCIB) Cotonou headquarters to facilitate the registration of new businesses. Through the CCIB, it is possible to register a new company within two weeks depending on the type of company. They also may resort the services of notaries with regard to a creation of a company in Benin.
- Businesses may also want to visit the Government of Benin's tender website at [http://www.gouv.bj/affiche\\_tous\\_appel\\_offre.php](http://www.gouv.bj/affiche_tous_appel_offre.php)

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## **Chapter 2: Political and Economic Environment**

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/6761.htm>

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#### **Using an Agent or Distributor**

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- U.S. companies considering entering the Beninese market, particularly if they have not previously done business in the region, should consider working with a reputable agent or distributor. They should be fluent in both French and English and familiar with local business practices. An agent or distributor may need a French translation of the product's documentation and literature.
- The U.S. Embassy's Economic and Commercial Section can help a U.S. company identify suitable partners in coordination with the Commercial Service office in Dakar, [www.buyusa.gov/westafrica/en/](http://www.buyusa.gov/westafrica/en/). Additional information is available at [www.export.gov](http://www.export.gov).

#### **Establishing an Office**

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- A real estate company or the U.S. company's local partner or agent is the most suitable organization to help identify a location to lease.
- Any American firm establishing an office in Benin should work with an established local partner of solid reputation and retain a competent Beninese attorney or notary. A list of attorneys licensed in Benin may be found at <http://cotonou.usembassy.gov/listoflawyers.html>
- The incorporation package which needs to be presented to Benin's Chamber of Commerce and Industry's (CCIB) Corporate Formalities Center (CFC) to incorporate a company includes a certified copy of the identity card or the passport of the manager; a certified photocopy of the police record if the manager is a foreigner; a photocopy of the identity card or passport of the

partners or shareholders, and if they are legal entities, a copy of their trade register and the statutes; an original voucher of the opening of a bank account in a local bank in the name of the company; three identity photos of the manager; two folders, a fiscal stamp costing about \$2.50; the amount of the expected turnover; the number of employees, a copy of lease of the head office in Benin and the annual rent; and information related to employees registered with the social security office. If the company to be incorporated is a branch of a foreign company, the above-mentioned documents will need to include the names of the local board of directors. Further information may be found on [www.ccibenin.org/index.php?option=com\\_content&task=category&sectionid=13&id=46&Itemid=92](http://www.ccibenin.org/index.php?option=com_content&task=category&sectionid=13&id=46&Itemid=92).

- Once the statutes have been signed the following needs to be performed: registration of the statutes at the land registration department, approval of the statutes by the appropriate court; registration of the company with the trade and movable credit register; publication of the company in the governmental daily newspaper "La Nation" and/or the Journal Officiel de la Republique du Benin (Official Journal of the Government of Benin); statement of existence at the internal revenue service; registration with the National Institute of Statistics and Economic Analysis (INSAE); statement of establishment with the Ministry of Labor; registration with the Benin Chamber of Commerce and Industry; and securing a trading or importer card.
- The incorporation fees to create a company are \$404 for a Beninese national and \$758 for a foreigner for a category B Company. For a category A company, a Beninese and a foreigner pay \$144 and 378 respectively. A category A company includes only one owner and the category B comprises at least two owners with limited liability.

## Franchising

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- At present, franchising is underdeveloped in Benin. Car rental agencies, such as Hertz and Avis, are the only existing franchising companies.

## Direct Marketing

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- Employing direct marketing techniques in Benin may not be viable due to underdeveloped telecommunications, postal, and information technology infrastructure. However, advertising and communications companies and some TV programs and dailies may serve as platforms for direct marketing.

## Joint Ventures/Licensing

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- U.S. and Beninese companies may wish to form a joint venture to participate in the privatization of a public company or in public procurements. With the assistance of a notary public the joint venture should be registered in court and published in an official gazette such as the governmental daily "La Nation".

## **Selling to the Government**

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- Government procurements are governed by the Beninese procurement code. Procurements by the national government are announced in major newspapers, particularly "La Nation" and on [www.gouv.bj/affiche\\_tous\\_appel\\_offre.php](http://www.gouv.bj/affiche_tous_appel_offre.php). The published procurements usually include participation requirements. The areas of opportunities are energy, bridge and road construction, sanitation, building, agricultural equipment, cars, security equipment, medical equipment, and others.
- Bidders are required to submit proposals in French. The U.S. Embassy offers assistance to U.S. companies participating in the bids and advocates with appropriated government officials on their behalf.

## **Distribution and Sales Channels**

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- The majority of Benin's population is concentrated in the southern part of the country, particularly in the Cotonou agglomeration. The retail landscape is fragmented, but retailers and their consumers typically cluster in marketplaces. The wholesale network is dominated by Lebanese, Indian, Pakistani, and Chinese businesses. The Dantokpa market in Cotonou is one of the largest markets in West Africa. Re-export activity through Benin to Nigeria, although complicated by a number of Nigerian import restrictions, is one way to reach the vast Nigerian market.
- The port of Cotonou is the gateway to northern Benin and to landlocked countries such as Burkina Faso, Niger, Mali and Chad. Cargo arriving in the port is transported by road on trucks to various local and foreign destinations.

## **Selling Factors/Techniques**

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- Due to the heavy emphasis on personal relationships in Benin, "face-time" with current and prospective clients is a critical selling factor. Selling to informal and formal retailers is the best way to distribute goods throughout the country. Buyers expect promotional material and technical documents to be in French or both English and French.

## **Electronic Commerce**

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- Employing electronic commerce techniques in Benin may not be viable due to an underdeveloped information technology infrastructure and limited access to computers and the internet. However, text messages via mobile phone are a useful advertising channel.

## **Trade Promotion and Advertising**

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- As well as a key element of Benin's emerging democracy, Benin's free press is a useful vehicle for marketing U.S. products and services. In addition to the GOB's daily newspaper, "La Nation," there are more than twenty privately owned newspapers in Cotonou. Along with the national TV station, ORTB, there are four private TV stations, LC2 ([www.lc2international.tv](http://www.lc2international.tv)), Golfe TV and FM, Canal 3, IATV, and Tele Carrefour. There are over twenty private radio stations in Benin including Golfe FM, which broadcasts via satellite to several African countries. Text messages via mobile phone can also be used as an advertising channel.

## Pricing

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- Generally speaking, a majority of Beninese consumers have little disposable income and are extremely price sensitive, making purchasing decisions principally based on the cost of a product. That said, however, there are substantial markups for luxury goods, and there is a small but growing segment of consumers willing to pay top dollar for high-end merchandise.
- A Value Added Tax (VAT) of 18% of the gross value is levied on sales, imports, real estate activities, and all lucrative activities other than salaries and agricultural activities.
- U.S. exporters should price their products on a CIF (Cost, Insurance and Freight) basis. New U.S. exporters should require an irrevocable confirmed letter of credit from their Benin partners prior to shipping.

## Sales Service/Customer Support

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- Due to the heavy emphasis on personal relationships in Benin, "face-time" with current and prospective clients is a critical selling factor. Concerning equipment, Beninese clients may have an expectation that service is included in the purchase price. As appropriate, sellers should clarify this point with their clients and either factor customer support costs into the purchase price or negotiate an after-sale support package at the same time a sales transaction is concluded.

## Protecting Your Intellectual Property

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- The Government of Benin (GOB) office responsible for managing issues related to the protection of intellectual property is the Government Patent Office (CENAPI). Its contact information is as follows:

01 BP 363 Cotonou  
 Tel: +229 21-31-02-40  
 Fax: +229 21-30-30-24  
 Email: [cepani02@yahoo.fr](mailto:cepani02@yahoo.fr)

- It is important to emphasize that Benin has weak safeguards to protect intellectual property. Illegally reproduced DVDs and drugs are openly sold in the



streets and markets of the country. Please refer to the Investment Climate Statement for further information.

## Due Diligence

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- Although the Chamber of Commerce and Industry and the Ministry of and Commerce can provide some information on companies doing business in Benin, no formal system exists to verify the bona fides of companies. Unfortunately, Benin's proximity to Nigeria means that a number of mala fide Nigerian operators, increasingly in collusion with Beninese, have established companies which are little more than a cell phone, fax machine and post office box whose sole purpose is to defraud potential foreign exporters and investors
- The Embassy's economic and commercial section spends a significant portion of its time warning U.S. businesses and individuals about specific "Nigerian 419" cases, so named for the section of Nigeria's Criminal Code dealing with advanced fee fraud. "Boiler room" operators try to defraud unsuspecting victims using a variety of scams, such as one in which a U.S. entity is offered a large "purchase order" or "reward" if they send e.g. USD 1,000 or share their bank account information. Examples of these scams have included orders, ostensibly from the Benin Government, non-governmental organizations (NGOs), or charitable organizations, for 6,000 computers, 10,000 cellular phones, and 25,000 tons of frozen poultry. Requests for such large quantities of goods should be met with skepticism and verified through the Commercial Section. Furthermore, any requests for an upfront "registration fee" required by the Beninese government in order to do business should be considered carefully because exaggerated sums have been used to extort money from exporters of products to Benin. To order International Company Profile (ICP) service in Benin U.S. exporters may contact Ms. Youhanidou Wane Ba or Mr. Steven Morrison at [Youhanidou.Wane.Ba@mail.doc.gov](mailto:Youhanidou.Wane.Ba@mail.doc.gov) or [Steve.Morrison@mail.doc.gov](mailto:Steve.Morrison@mail.doc.gov) respectively.

## Local Professional Services

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- The GOB has established a Business Registration Center at the Cotonou headquarters of the Benin Chamber of Commerce and Industry (CCIB) to facilitate the registration of new businesses ([www.ccibenin.org](http://www.ccibenin.org)). To ease the startup process, investors are strongly encouraged to hire a local notary public for the required assistance. A list of attorneys licensed in Benin may be found at <http://cotonou.usembassy.gov/listoflawyers.html>

## Web Resources

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- U.S. exporters seeking general export information and assistance or country-specific commercial information should consult with their nearest Export Assistance Center or the U.S. Department of Commerce's Trade Information Center at (800) USA-TRADE, or go to one of the following web sites: [www.buyusa.com](http://www.buyusa.com), [www.export.gov](http://www.export.gov), or [www.tradeinfo.doc.gov](http://www.tradeinfo.doc.gov) or [www.buyusa/dakar/en](http://www.buyusa/dakar/en)

- U.S. exporters can also consult the Benin Chamber of Commerce and Industry's website at [www.ccibenin.org](http://www.ccibenin.org), the Government of Benin's tender website at [www.gouv.bj/affiche\\_tous\\_appel\\_offre.php](http://www.gouv.bj/affiche_tous_appel_offre.php), or the Benin Agency for Trade at [www.abepec.bj](http://www.abepec.bj)

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## **Chapter 4: Leading Sectors for U.S. Export and Investment**

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### **Commercial Sectors**

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## Electronic Components (ELC) and Consumer Electronics (CEL)

### Overview

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Value (1,000 dollars)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports	NA	NA	NA
Imports from the U.S.	8,241		NA

(US Department of Commerce) NA: Not Available

A thriving market in electronic products exists in Benin. Private radio and TV stations and record companies are increasing their activities. Moreover the government is making great efforts to modernize its telecommunications equipment and liberalize the telecommunications sector. The exemption of duty on computers paves the way to the increased use of computers by private businesses and the government.

### Best Prospects/Services

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The demand for electronic products from the U.S. is increasing, because they are regarded as the best in this market. They include computer peripherals and software, audio and video products, and telecommunications software.

### Opportunities

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Establishment of a branch of a U.S. information technology company in Benin would provide the opportunity to supply these products to the local market as well as to re-export to neighboring countries and participate in public procurements across the region.

### Resources

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The GOB's offer website: [www.gouv.bj/affiche\\_tous\\_appel\\_offre.php](http://www.gouv.bj/affiche_tous_appel_offre.php)  
Projet Cerco, an information technology school: [www.projetcerco.com](http://www.projetcerco.com)  
H2com, an information technology company: [www.h2com.com](http://www.h2com.com)  
Benin Telecoms: [www.benintelecoms.bj](http://www.benintelecoms.bj)  
Private TV station LC2: [www.lc2international.tv](http://www.lc2international.tv)

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### Apparel (APP)

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Value (1,000 dollars)	2007	2008	2009(estimated)
Total Market Size	NA	NA	NA
Total Local Production	NA	NA	NA
Total Exports	NA	NA	NA
Total Imports	NA	NA	NA
Imports from the U.S.	5,691	4,063	NA

(US Department of Commerce) NA: Not Available

The import of textile and used clothing is a very important business in Benin, because there is a market dedicated to these products. Even though Chinese textile imports dominate the market, the importation of used clothing, mainly from the U.S., is increasing. Used clothing from the U.S. is affordable to the low and middle income population.

**Best Prospects/Services**[Return to top](#)

The demand for used clothing and other textile products is permanent. The annual population growth rate is 3.5% and the consumption of used clothing is very popular among youth.

**Opportunities**[Return to top](#)

There are businesses already importing textile and used clothing from the U.S. who may increase their imports further if they find exporters who can ship high quality clothing.

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Benin Chamber of Commerce and Industry: [www.ccib.bj](http://www.ccib.bj)  
Benin Agency for Trade Promotion: E-mail: [micpe.cbce@otitelem.bj](mailto:micpe.cbce@otitelem.bj)  
[www.beninbusinessinfo.com](http://www.beninbusinessinfo.com)

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## Cosmetics/Toiletries (COS)

### Overview

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Value (1,000 dollars)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	NA	NA	NA
Total Exports	NA	NA	NA
Total Imports	NA	NA	NA
Imports from the U.S.	NA	NA	NA

NA: Not Available

Even though statistics for this sector are not available, there is a market for American cosmetics and hair care products in Benin. These products, sold in small quantities on the local market, are imported either by wholesalers or purchased in small quantities from the U.S by retailers for local resale and re-exportation to Nigeria and Cameroon.

### Best Prospects/Services

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Cosmetics, hair, and toiletry products.

### Opportunities

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Given the fragmented nature of the local market and logistical difficulties facing retailers, there are significant opportunities to resell bulk quantities of inexpensive products on the local market or in neighboring Nigeria.

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Beninese cosmetics importers usually attend the COSMPROF trade show in the U.S.:  
[www.cosmoprofnorthamerica.com](http://www.cosmoprofnorthamerica.com)

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## Telecommunications Equipment (TEL)

### Overview

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Value (1,000 dollars)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports	NA	NA	NA
Imports from the U.S.	NA	NA	NA

NA: Not Available

Mobile telephone service in Benin is rapidly growing. The government has liberalized the mobile telephone sector, and the number of users is growing with an estimated 20 mobile phone subscribers per 100 members of the population in 2007.

### Best Prospects/Services

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The prospects for telecommunications equipment particularly that used by mobile telephone operators are strong.

### Opportunities

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Some Beninese telecommunications companies already buy cellular phone antenna pylons and VSAT equipment from American companies. As coverage expands these opportunities might increase

### Resources

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Benin Telecoms S.A.: [www.benintelecoms.bj](http://www.benintelecoms.bj)

Moov: [www.moov.bj](http://www.moov.bj)

MTN: [www.areeba.com.bj](http://www.areeba.com.bj)

Export-Import Bank of United States of America (EXIM):

[www.exim.gov/products/special/africa/](http://www.exim.gov/products/special/africa/)

United States Trade Development Agency: [www.ustda.gov](http://www.ustda.gov)

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## Electrical Power Systems (ELP)

### Overview

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Value (1,000 dollars)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	NA	NA	NA
Total Exports	NA	NA	NA
Total Imports	NA	NA	NA
Imports from the U.S.	NA	NA	NA

NA: Not Available

Even though the electrical energy parastatal, Societe Beninoise d'Energie Electrique (SBEE), has a monopoly on the distribution of electricity, it is having difficulty meeting the increasing demand for electrical power. The government is actively seeking to curb Benin's power deficit and signed a contract in 2007 with a U.S. company to build an 80 MW power plant. Many companies depend on private generators to provide power.

### Best Prospects/Services

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Gas turbines, generators, other power generation equipment, and feasibility studies for power plants might be of interest to U.S. firms.

### Opportunities

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U.S. companies may be interested in Build-Own-Operate (BOO) power plants or supplying power plants to the government and generators to businesses.

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Government of Benin: [www.gouv.bj](http://www.gouv.bj)

Export-Import Bank of United States of America: [www.exim.gov/products/special/africa/](http://www.exim.gov/products/special/africa/)  
United States Trade Development Agency: [www.ustda.gov](http://www.ustda.gov)

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## **Autos/Light Trucks/Vans (AUT)**

### **Overview**

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Value (1,000 dollars)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	NA	NA	NA
Total Exports	NA	NA	NA
Total Imports	NA	NA	NA
Imports from the U.S.	147,611	350,000	NA

(U.S. Department of Commerce) NA: Not Available

The market for new and used cars is growing and the dollar's depreciation prompted a large number of used cars dealers to import cars from the U.S. Providing buses for public transportation in Cotonou, the economic capital of Benin, and its neighboring cities with a population estimated over 2,000,000, is also a possibility.

### **Best Products/Services**

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New and used cars and spare parts.

### **Opportunities**

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The GOB invites regular tenders to renew its vehicle fleet. Additionally, the majority of the Beninese middle class buys in used cars markets while a large number of people from neighboring countries import used cars from Benin to their respective countries. There are also prospects for the import of buses by the municipality of Cotonou or the national government for public transportation within the city of Cotonou to reduce pollution.

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Government of Benin: [www.gouv.bj](http://www.gouv.bj)

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## Textile Machinery (TXM)

### Overview

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Value (1,000)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	NA	NA	NA
Total Exports	NA	NA	NA
Total Imports	NA	NA	NA
Imports from the U.S.	NA	NA	NA

NA: Not Available

Benin's cotton sector is the most developed and organized of all sectors, accounting for about 80% of Benin's export income. Only 3% of the country's production is locally processed.

### Best Products/Services

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Ginning equipment and textile processing machinery.

### Opportunities

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There are opportunities for the export of ginning equipment and parts, and textile processing equipment to Benin. There are 18 ginning factories in the country. Eight (8) are owned by private businesses and 10 belong to the government. The privatization of the GOB ginning factories may pave the road to the import of more ginning equipment. The government's hopes for the cotton sector include the creation of an integrated sector that will allow cotton derivative products such as textiles to be exported to the U.S under the benefits provided by the African Growth and Opportunities Act (AGOA).

### Resources

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Government of Benin: [www.gouv.bj](http://www.gouv.bj)

Association Interprofessionnelle du Cotton, AIC or Benin Cotton Association:

[www.aicbenin.org](http://www.aicbenin.org)

Email: [aic@intnet.bj](mailto:aic@intnet.bj)

Export-Import Bank of United States of America: [www.exim.gov/products/special/africa/](http://www.exim.gov/products/special/africa/)

United States Trade Development Agency: [www.ustda.gov](http://www.ustda.gov)

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## Tourism Infrastructure Services (AB)

### Overview

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Value (1,000 dollars)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	NA	NA	NA
Total Exports	NA	NA	NA
Total Imports	NA	NA	NA
Imports from the U.S.	NA	NA	NA

NA: Not Available

Benin is the fifth largest tourist destination in West Africa and has a great potential for tourism infrastructure. The government has declared the beachfront zone west of Cotonou between the airport and the city of Ouidah as a tourism center. The government is encouraging the development of hotels and leisure in this zone.

### Best Products/Services

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Construction of recreational centers and 2,000 hotel rooms.

### Opportunities

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The government has put in place incentives for foreign investors interested in building hotels in that beachfront area. Investors can obtain duty exemption from the government on all building materials and equipment destined to such a project.

### Resources

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Office of Execution of the Tourism Project or Cellule d'Execution de Projet de Developpement Touristique (CEPDC-RP):  
Email: [laroutedespeches@yahoo.fr](mailto:laroutedespeches@yahoo.fr)

Export-Import Bank of United States of America: [www.exim.gov/products/special/africa/](http://www.exim.gov/products/special/africa/)  
United States Trade Development Agency: [www.ustda.gov](http://www.ustda.gov)

Marius Lotsu  
U.S. Embassy  
Cotonou, Benin  
Email: [LotsuMC@state.gov](mailto:LotsuMC@state.gov)

## Medical Equipment (MED)

### Overview

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Value (1,000 dollars)	2007	2008	2009 (estimated)
Total Market Size	NA	NA	NA
Total Local Production	NA	NA	NA
Total Exports	NA	NA	NA
Total Imports	NA	NA	NA
Imports from the U.S.	NA	NA	NA

NA: Not Available

Most of the medical equipment of Benin's teaching hospital, CNHU, is obsolete and needs to be replaced. Private clinics are growing and the need for medical equipment is increasing. Some of these clinics may opt for used medical equipment

### Best Products/Services

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The best prospect products are new and used medical scanners, X-ray machines, and imaging equipment. The voltage used in Benin is 220 volts.

### Opportunities

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The government plans to purchase new medical equipment for health facilities under its control. The prospects to sell U.S medical equipment to Benin exists if interested parties have good Beninese partners. The private clinics are important clients for used medical equipment.

### Resources

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Government of Benin: [www.gouv.bj](http://www.gouv.bj)

Export-Import Bank of United States of America (EXIM):

[www.exim.gov/products/special/africa/](http://www.exim.gov/products/special/africa/)

United States Trade Development Agency: [www.ustda.gov](http://www.ustda.gov)

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## **Agricultural Sector**

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### **Overview**

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Benin is food sufficient and even exports some of its agricultural products to neighboring countries. However, the country is deficient in rice production and imports a significant quantity of rice to fill the gap. It also imports wheat and wheat flour mainly from Europe. In 2008 the rise in price of oil in the world market severely impacted prices of foodstuffs in Benin.

The potential for U.S. exports of agricultural and food products exists, but American products will face stiff competition from European, Brazilian and Asian products.

### **Agricultural product prospects**

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American exporters may be interested in exporting the following products to Benin: rice, wheat, corn, soybeans, canned fruits and vegetables, tomato puree/ketchup, bottled vegetable oil, fruit juices, margarine, pasta, wine, frozen chicken, health food products, powdered milk, and mayonnaise.

### **Resources**

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Marius Lotsu  
U.S. Embassy  
Cotonou, Benin  
Email: [LotsuMC@state.gov](mailto:LotsuMC@state.gov)

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## Chapter 5: Trade Regulations and Standards

- [Import Tariffs](#)
- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
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- [Customs Regulations and Contact Information](#)
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### Import Tariffs

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Benin, together with other countries belonging to the West African Economic and Monetary Union (WAEMU) and the CFA Zone: Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo, implemented a common external tariff (CET) in 2000. The CET is a standardized tariff applied to imported goods for WAEMU member states. The CET comprises duties and taxes that include: the Customs Duty (DD: the rate varies between 0 and 20% depending of the nature of the goods), the Community Solidarity Deduction (PSC: 1%), the Statistical Duty (RS: 1%), the Import Cyclical Tax (TCI: 10%), and the Regressive Protection Tax (TDP: 10% and 20%).

The CET establishes four categories of products on which customs duties are levied: 0% on drugs, books and condoms; 5% on essential goods, basic raw materials, capital goods and specific inputs (semi-manufactured and manufactured goods used by local industries); 10% on inputs and intermediary products; 20% on final consumption and all goods imported from outside of the WAEMU zone (for instance frozen fish, used clothing, milk, oil, wheat flour, nuts, canned fish and cigarettes).

On top of these customs duties, importers also are required to pay 18% Value-Added-Tax (VAT) at the point of entry.

Further information on customs procedures in Benin may be obtained on the Ministry of Economy and Finance (MDEF) website at [www.gouv.bj](http://www.gouv.bj), and [www.izf.net](http://www.izf.net).

### Trade Barriers

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Benin's enactment of the common external tariff and Benin's adhesion to the WTO has eliminated many trade barriers. However, an inefficient and corrupt customs process may make the importation of goods by sea, air or land costly and time consuming. Although the possibility of obtaining a bonded warehouse for onward shipment in the Port exists in theory, in practice it is very difficult to obtain such a status.

## **Import Requirements and Documentation**

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Documents related to import requirements vary depending on the type of the imported goods. In general, the main documents to be produced by importers before the clearing of goods are the invoice, the bill of lading, the Inspection certificate issued by BIVAC or Bureau Veritas Group (<http://www.bureauveritas.com>), the importer's card, attestation of origin of the goods (if they are from a WAEMU or ECOWAS member state) and an animal or plant health inspection certificate if appropriate.

Further Information can be obtained from the "Direction de l'Application et de la Reglementation" or Office of Regulation Application of Benin's Customs Service at +229-21318740.

It is important to underline that all goods are subject to BIVAC inspection before embarkation.

## **U.S. Export Controls**

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U.S. company companies exporting to Benin must adhere to the requirements of the U.S. Bureau of Industry and Security (BIS) [www.bis.doc.gov](http://www.bis.doc.gov), which regulates the export and re-export of sensitive goods and technologies.

## **Temporary Entry**

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Benin allows temporary entry of non-prohibited goods. The temporary entry is granted on request addressed to the Director General of Benin Customs prior to disembarkation and to the relevant section of the Ministry of Economy and Finance. It allows calculating the duties and taxes receivable based on the duration of the depreciation of the equipment and on the duration of its utilization in Benin.

The goods that benefit from temporary entry include equipment imported for the execution of public works such as trucks, handling equipment, construction camps, drilling machines, light vehicles and others. Spare parts for equipment and machines used within the framework of public works are excluded from the benefits of this system.

When the temporary entry warranty ends, the beneficiary company has four options: (1) it may pay the difference of the duties and taxes if it wants to keep the goods or equipment in Benin, (2) re-export the equipment, (3) place it in warehouse or depot until its final destination is known or (4) request an extension of the initial temporary entry authorization.

## **Labeling and Marking Requirements**

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There are no specific labeling requirements for goods. Well-labeled goods ease their identification and the customs clearance. However, Beninese law does not allow any foreign, natural or manufactured goods to leave or enter Benin, if those goods are labeled to wrongly reflect that they are from Benin or a country with which Benin has

signed a brand protection agreement. All goods without reference of the country of origin and the marking "Imported" are not allowed to enter Benin.

### **Prohibited and Restricted Imports**

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The import of guns, ammunitions, and any narcotics products, except those accepted for medical purposes, are prohibited

### **Customs Regulations and Contact Information**

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Goods are cleared by registered clearing agents hired by the importer. All required important documents are handed to them for customs procedures. Further information on Benin customs may be obtained at:

Direction Generale des Douanes et Droits Indirects

Telephone: 00 229 21 315703/315548

Fax: 00 229 21 316786

Direction de l'Application et de la Reglementation

Tel. +229-21318740

Email address: [douanes-béninoises@yahoo.fr](mailto:douanes-béninoises@yahoo.fr); website: [www.finances.bj](http://www.finances.bj)

Bivac, Bureau Veritas Group in Benin

Tel. +229 21 302013/204901; Fax. +229 21 300182

<http://www.bureauveritas.com>

Bureau Veritas North America

Westside Plaza III

8200 N.W. 33rd Street, Suite 3000

Miami, FL 33122

Tel: (305) 593 7878, Fax (305) 593 7877

### **Standards**

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- [Standards Organizations](#)
- [Conformity Assessment](#)
- [Labeling and Marking](#)
- [Contacts](#)

### **Overview**

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Benin's standards are derived from France. Its uses 220 volts of electricity and the metric system for measurements and weights.

### **Standards Organizations**

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The Benin Center for Standardization and Quality Management (CEBENOR), which opened in July 2000, promotes the quality of locally made goods. In this context, it also grants approval for and disseminates government standards on all



products and services. CEBENOR participates in certifying enterprises' product quality and assists in obtaining certificates of conformity to standards.

### **NIST Notify U.S. Service**

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>

## **Testing**

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Direction de l'Alimentation et de la Nutrition Appliquee (Food Safety Control Office) or DANA in the Benin Ministry of Agriculture is the only agency allowed to do testing of food products prior to their clearance at the port of entry. It can be contacted via its Director, Mr. Alexis Maleté  
Contacts: DANA BP 295 Porto-Novo, Benin, Tel. +229-20-212670, Fax: +229-20-213963 E-mail: [yombomalete@yahoo.fr](mailto:yombomalete@yahoo.fr)

Direction des Pharmacies (Pharmaceutical Products Control Office), this office is under the Benin Ministry of Health and tests drugs at the port of Entry before clearance. The Director is Dr. Alfred Dansou,

Contacts: Tel/Fax: +229-21-332178; email: [kissavic@yahoo.fr](mailto:kissavic@yahoo.fr)

## **Conformity Assessment**

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Conformity assessment is carried by a number by private and public organizations. They include Food Safety Control Office (DANA), the Department of Pharmacies, and the Department of Metrology and Quality Standards, and Bivac pre-shipment inspection services.

## **Labeling and Marking**

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Labeling and marking are essential for the import of goods in Benin. The imported products may include, depending on the nature of the product, the name of the product, the country of origin, the manufacture and the expiration dates.

## **Contacts**

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Direction de l'Alimentation et de la Nutrition Appliquee (Food Safety Control Office) or DANA in the Benin Ministry of Agriculture and is the only governmental organization allowed to do testing of food products prior to their clearance at the port of entry. Mr. Alexis Maleté is its Director.  
Contact: DANA BP 295 Porto-Novo, Benin, Tel. +229-20-212670, Fax: +229-20-213963 E-mail: [yombomalete@yahoo.fr](mailto:yombomalete@yahoo.fr)

Direction des Pharmacies (Pharmaceutical Products Control Office): this office is under the Benin Ministry of Health and tests drugs at the point of entry before clearance. Its Director is Dr. Alfred Dansou, Tel/Fax: +229-21-332178; Email: [kissavic@yahoo.fr](mailto:kissavic@yahoo.fr)

Bivac, Bureau VERITAS Group  
Tel. +229 21 302013/204901; Fax. +229 21 300182

Standard Point of Contact at U.S. Embassy Cotonou:

Marius C. Lotsu  
Economic/Commercial Assistant  
U.S. Embassy  
01 B.P. 2012 Cotonou, Benin  
Rue Caporal Bernard Anani  
E-mail: [LotsuMC@state.gov](mailto:LotsuMC@state.gov)  
Tel: (229) 21-300650  
Fax: (229) 21-300670

## Trade Agreements

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Benin is signatory to all international trade conventions under the aegis of the World Trade Organization and the United Nations Conference on Trade and Development. Benin is also part of the trade agreement between the European Union and the Africa, Caribbean and Pacific countries, ACP. Benin is also a member of regional and sub regional economic unions such as ECOWAS and WAEMU. In 1993, Benin ratified the convention providing for the establishment of the Multilateral Investment Guarantee Agency (MIGA) that aims for improvement of investments opportunities in developing countries and promotion of investment flows.

Benin signed bilateral trade agreements for the promotion and the protection investments with the Federal Republic of Germany, Tunisia, Switzerland, People Republic of China, Portugal, Greece, France, and the United States of America.

## Web Resources

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Government of Benin: [www.gouv.bj](http://www.gouv.bj)  
U.S. Bureau of Industry and Security (BIS) <http://www.bis.doc.gov>  
Ministry of Economy and Finance: [www.finances.bj](http://www.finances.bj)  
Bivac/Bureau VERITAS: [www.us.bureauveritas.com](http://www.us.bureauveritas.com)  
African Growth and Opportunity Act: [www.agoa.gov](http://www.agoa.gov)  
NIST Notify U.S. Service: <http://www.nist.gov/notifyus/>

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## **Chapter 6: Investment Climate**

- [Openness to Foreign Investment](#)
- [Conversion and Transfer Policies](#)
- [Expropriation and Compensation](#)
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- [Right to Private Ownership and Establishment](#)
- [Protection of Property Rights](#)
- [Transparency of Regulatory System](#)
- [Efficient Capital Markets and Portfolio Investment](#)
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- [Bilateral Investment Agreements](#)
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### **Openness to Foreign Investment**

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President Yayi, in office since April 2006, aims to establish double digit economic growth in Benin before the end of his term in 2011. He is cognizant of the fact that he needs foreign investment to reach that goal. In an attempt to attract increased investment, President Yayi set up the Presidential Investment Council (PIC) in 2006. The objectives of this organization are to reinforce dialogue between the government and investors and speed the process of identification and implementation of reforms in order to improve the business environment. The PIC includes local and foreign private investors and government representatives.

The GOB officially favors and encourages foreign investment. Many opportunities for foreign investment have historically been linked to the privatization of state-owned enterprises, whose numbers have been reduced from 130 in 1980 to only four currently: SBEE (electricity), SONEB (Water), Benin Telecoms S.A (Telecommunications) and La Poste du Benin S.A (Post). Privatization of these final parastatals is slow-moving. However, the GOB achieved the privatization of cotton parastatal SONAPRA in 2008 after two unsuccessful attempts. Foreign companies are invited to bid on privatizations, and the bidding process is open and well-publicized.

The country's 1990 current investment code, revised and adopted in July 2008, authorizes the industrial sector to invest over USD 20 million (10 billion Francs CFA) in the country. The code establishes the conditions to obtain benefits under different investment regimes and grants extensive discretionary power to the Investment Control Commission at the Ministry of Commerce (MC). The MC has a "guichet unique" or one-stop shop to help dispense with unnecessary and time-consuming formalities facing investors. The GOB also set up the Business Registration Center in the Cotonou

headquarters of the Benin Chamber of Commerce and Industry (CCIB) to facilitate the registration of new businesses. Using the center it is possible to register a new company within 2 weeks depending on the type of company.

Beninese law guarantees the right to own and transfer private property. The Beninese court system upholds the sanctity of contracts, but justice is often slow. Beninese courts process, on average, 8 percent of their civil cases each year.

To ease the company start-up process, investors are strongly encouraged to hire a local notary for the required assistance. Any American firm opening an office in Benin should work with an established local partner of solid reputation and retain a competent Beninese attorney. A list of English-speaking lawyers and notaries is available from the Embassy's commercial section.

### **Conversion and Transfer Policies**

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Benin is a member of the West African Economic and Monetary Union (WAEMU). Benin's currency is the CFA franc, which the Central Bank of West African states (BCEAO) issues. The CFA franc is pegged to the euro, and one US dollar presently equals about CFA 500 (November 2008).

Foreign exchange is readily available. Transfers exceeding 300,000 FCFA, approximately \$600, to a Western country other than France require approval from the BCEAO and the Ministry of Economy and Finance (MEF). There are no restrictions on the remittance of profit by companies which invest in Benin. The remittance of profits by individual resident investors is restricted in certain areas.

### **Expropriation and Compensation**

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The state guarantees under law that it will make no attempt to nationalize enterprises operating in Benin. The government does have the capacity to seize property by eminent domain. If the government does seize land, it is required to pay compensation to the owners.

### **Dispute Settlement**

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There have been few investment disputes, and no discernible pattern in the causation of the disputes.

Benin is a member of the Organization for the Harmonization of African Business Law, known by its French acronym OHADA, and has adopted OHADA's universal commercial code to govern commercial disputes and bankruptcies. Benin is also a member of OHADA's Common Court of Justice and Arbitration and of the International Center for the Settlement of Investment Disputes (ICSID).

Benin does not maintain a commercial court system. Its civil courts handle commercial cases. In principle, Benin's courts will enforce foreign court judgments. A profound backlog of civil cases often results in a wait of two or more years before matters proceed

to trial. Corruption, however, remains an impediment to the administration of justice. Businesses and other litigants routinely complain that corruption is particularly widespread at the trial court level, as well as at administrative hearings.

#### **Performance Requirements and Incentives**

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Benin's government maintains a welcoming posture to foreign investors, and its 2008 Investment Code contains several incentives, in the form of tax reductions, for investors depending on the level and type of investment. Depending on the amount of the investment, investors do not have to pay taxes on profits, exports of finished products, or imports of industrial equipment. To obtain these benefits investors must meet several criteria including employing a minimum number of Beninese nationals, safeguarding the environment, and meeting nationally accepted accounting standards. The Investment Control Commission monitors companies that benefit from these provisions to ensure their compliance with the standards required for receiving incentives.

#### **Right to Private Ownership and Establishment**

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The right to private ownership and investment exists in both theory and practice. Beninese law guarantees freedom of trade; choice of customers and suppliers; the right to move freely throughout the country; the right of foreign employees and their family members to leave the country; and freedom from government interference in the management of private enterprises.

#### **Protection of Property Rights**

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Secured interests in real and personal property are recognized and enforced. Benin's legal system protects and facilitates acquisition and disposition of all property, including land, buildings and mortgages. As mentioned above, Benin's judicial system moves slowly, and it may take a great deal of time to enforce a secured interest. Secured interests in property are registered with the Land Office in the Ministry of Finance.

International intellectual property agreements are not adequately enforced. Illegally reproduced DVDs containing pirated television shows, and movies are sold openly. Fake and smuggled drugs are also available in the country's markets.

#### **Transparency of Regulatory System**

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While the government has adopted a transparent policy to foster free enterprise, red tape is often a problem, Benin slipped in the World Bank's 2007-2008 Doing Business ranking from 123 to 169 in the world and ranked 36 among the Sub-Saharan African countries behind Burkina Faso, Senegal, Cote d'Ivoire, Togo, and Mali, fellow members of the WAEMU. According to the same study, it takes a typical entrepreneur 332 days to secure the necessary licenses, approvals, and water and electricity connections to build a warehouse. The law governing commercial transactions conforms to the standards set by OHADA. Many labor laws remain holdovers from Benin's pre-1990 Marxist era and serve as impediments to private enterprise. Efficient Capital Markets and Portfolio Investment

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Government policy supports free financial markets in Benin, subject to regulatory oversight by the Ministry of Finance and Economy, and the Central Bank of West African States (BCEAO). Credit is allocated on market terms and foreign investors can get credit on the local market. Some observers claim the banking industry is not subject to effective mandatory regulation and some banks are not managed in a transparent fashion.

## **Political Violence**

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Benin is a peaceful democracy with no political violence in recent memory.

## **Corruption**

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President Yayi's government has demonstrated a high level of political will to combat corruption in Benin and has moved, in several high-profile cases, against corrupt government officials. Corruption remains a problem in the customs service, with government procurement, and in the judicial system. Investors may encounter numerous attempts to solicit bribes as they begin operations in Benin.

While Benin lacks specific anti-corruption legislation, both the offer and receipt of a bribe are illegal in Benin and punishable by a penalty of up to ten years imprisonment. Benin is a signatory to the UN Convention against corruption. The newly established State Audit Office is responsible for preventing corruption in the public sector.

## **Bilateral Investment Agreements**

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Benin has a bilateral investment agreement with France, Germany, and Great Britain. Benin does not have a bilateral investment agreement with the United States of America.

## **OPIC and Other Investment Insurance Programs**

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The Overseas Private Investment Corporation (OPIC) offers financing programs to assist companies wishing to invest in developing countries, including Benin. OPIC insurance could be available to companies wishing to invest in Benin depending on the nature and extent of the investment. Potential investors should contact OPIC directly for further information at [info@opic.gov](mailto:info@opic.gov).

## **Labor**

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The government adheres to international labor standards and fully recognizes the right to form unions and engage in collective bargaining. The government adopted a new labor code in 1998 aimed at increasing flexibility in hiring decisions, eliminating the need for prior authorization from the labor directorate for employee dismissal, and consolidating labor regulations currently dispersed among various texts. As a practical matter, however, Benin's labor practices contain many inefficient features reminiscent of the Marxist era. Foreign companies who dismiss employees for unsatisfactory performance are routinely sued. Child labor is widespread and, although it is making efforts, the GOB still needs to do more to suppress it.

The Constitution provides workers with the freedom to organize, join unions, meet, and strike, and the government usually respects these rights in practice. The labor force is engaged primarily in subsistence agriculture and other primary sector activities. Although approximately 75 percent of salaried employees belong to labor unions, the vast majority of union members are in the public sector with a much smaller percentage of workers in the private sector unionized. There are several union confederations, and unions generally are independent of government and political parties.

Strikes are permitted; however, the authorities can declare strikes illegal for stated causes (for example, threatening to disrupt social peace and order), and can require strikers to maintain minimum services.

### **Foreign-Trade Zones/Free Ports**

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There is a free trade zone in the Port of Cotonou for imports destined for Benin's landlocked neighbors of Burkina Faso and Niger. Foreign importers have complained, however, that corruption in the Port of Cotonou makes it difficult to benefit from the free trade zone.

The government plans on constructing an additional free trade industrial zone in Seme, located on Benin's coast east of Cotonou. Initially, the site will be 200 hectares in size, and then doubled during its second phase.

### **Foreign Direct Investment Statistics**

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According to the United Nations Conference on Trade and Development (UNCTAD), Benin received 63 million dollars in foreign direct investment in 2006 (the latest statistics available).

Much of the foreign investment that has entered Benin since 1990 has been through the acquisition of interests in privatized companies. The principal foreign investors in Benin are from Lebanon, India, Germany, France and other Western countries. Chinese companies have also begun making investments in Benin. Foreign investors have purchased textile, cigarette, cement, and brewing companies in Benin.

Anadarko Petroleum Corporation has a substantial investment presence in Benin. The Houston-based oil company has acquired rights to a deep-water block off Benin's coast and drilled two exploratory wells in March 2003.

### **Web Resources**

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The International Monetary Fund [www.imf.org](http://www.imf.org)

The World Bank [www.worldbank.org](http://www.worldbank.org)

The Government of Benin [www.gouv.bj](http://www.gouv.bj)

Ministry of Finance and Economy [www.finances.bj](http://www.finances.bj)

The Overseas Private Investment Corporation [www.opic.gov](http://www.opic.gov)

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## **Chapter 7: Trade and Project Financing**

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
- [Project Financing](#)
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### **How Do I Get Paid (Methods of Payment)**

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Letters of credit, bank drafts and bills of exchange are commonly used to make payment for imports. Within the country, cash is the most common payment method. Businesses may accept check payments from customers with whom they are familiar. U.S. exporters, new to the Beninese market, should request an irrevocable confirmed letter of credit drawn on one of the major banks.

### **How Does the Banking System Operate**

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Benin has eleven private commercial banks belonging to groups of banks. They all have branches in most WAEMU members' states and some of the ECOWAS countries. These banks are often reluctant to lend for medium and long-term loans.

### **Foreign-Exchange Controls**

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The West Africa Central Bank (BECAO) is the central bank of the WAEMU countries and the only currency issuing institution within the monetary union. The currency used in this monetary union is the CFA Franc, which is pegged to the Euro at a fixed rate of 655.956 CFA francs to one Euro. As a result, in foreign currency conversions to CFA francs the foreign currency must be converted first to euros and then to CFA francs and vice versa.

All payments performed in foreign currencies between Benin and foreign countries and between residents and non-residents must be done on the official exchange market.

For foreign transfers executed through BCEAO, it is requirement to communicate the following information: instructing party, the amount in CFA Francs, amount in foreign currency, the name and address of the beneficiary, account number and banking domiciliation of the beneficiary and the purpose of the transfer and supporting documents.

### **U.S. Banks and Local Correspondent Banks**

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No U.S. banks operate in Benin. Citibank's correspondent bank in Benin is Ecobank Benin while the French bank, Societe Generale, operates both in the U.S. and Benin.



The banks operating in Benin include:

ECOBANK—U.S. EXIM Bank has signed a Master Guaranty Agreement with ECOBANK to encourage medium- and long-term loans for businesses, the first agreement of this type within francophone Africa. The bank's contact person is:

Mr. Check Travaly, General Manager  
Rue du Gouverneur Bayol  
BP 1280  
Cotonou, Benin  
Tel: +229 21-31-40-23  
Fax: +229 21-31-33-85

Email: [ctravaly@ecobank.com](mailto:ctravaly@ecobank.com)

Financial Bank—French national Remy Baysset founded Financial Bank and remains its CEO-equivalent. Financial Bank can be reached through:

Andre Froissant, General Manager  
01 BP 2700  
Cotonou, Benin  
Tel: +229 21-31-3100 / 03 / 04  
Fax: +229 21-31-31-02  
Email: [financial-bank@sbbg.com](mailto:financial-bank@sbbg.com)

Bank of Africa—U.S. Exlim Bank has signed a Master Guaranty Agreement with Bank of Africa and ECOBANK to encourage medium- and long-term loans for businesses, the first agreement of this type within francophone Africa. BOA's contact person is:

Mr. Tidiane Cheick N'diaye, General Manager  
BP 08-0879  
Cotonou, Benin  
Tel: +229 21-31-32-28  
Fax: +229 21-31-31-17  
Email: [information@boabenin.com](mailto:information@boabenin.com)

Diamond Bank—Diamond Bank is based in Nigeria and, since opening an office in Cotonou in 2002, has experienced rapid growth. The contact person is:

Mr. Benedict Ihekire, General Manager  
01 BP 955  
Cotonou, Benin  
Tel: +229 21-31-79-27/31-79-28  
Fax: +229 21-31-21-42  
Email: [bihekire@benin.diamondbank.com](mailto:bihekire@benin.diamondbank.com)

Societe Generale des Banques du Benin—SGBB is a French bank. Its contact person is:

Mr. Jean-Luc Dubling, Director General  
01 BP 585

Avenue Clozel  
Tel: +229 21-31-83-00  
Fax: +229 21-31-82-91  
Email: [jean-lucdubling@socgen.com](mailto:jean-lucdubling@socgen.com)

Banque Sahelo-Sahélienne pour le Commerce et l'Investissement— BCIS, a sub-regional Islamic bank, opened in April 2004 and its contact person is:

Mr. Zeedan-Dref Budeeb, General Manager  
131 Rue Dakodonou,  
Lot 26-F Guinkomey  
08 BP 485  
Cotonou, Benin  
Tel: +229 21-31-87-07  
Fax: +229 21-31-87-04  
E-mail: [bsic@intnet.bj](mailto:bsic@intnet.bj)

Banque Atlantique du Benin—BAB opened in 2005. The contact person is:

Mr. Mamady Diakite, General Manager  
08 BP 0682  
Cotonou, Benin  
Tel: +229 21-31-10-18/31-10-19  
Fax: +229 21-31-31-21  
Email: Not available

Banque Régionale de Solidarite, BRS, opened in 2005, and can be reached via:

01 BP 097  
Cotonou, Benin  
Tel: +229 21-31-80-16  
Fax: +229 21-31-80-01  
Email: [brsbenin@intnet.bj](mailto:brsbenin@intnet.bj)

African Investment Bank—AIB opened in 2006. The contact person is:

Mr. Charles Roger Rabet, General Manager  
Tel. +229 21-31-80-80  
Fax. +229 21-31-53-53  
Email: [aibank@intnet.bj](mailto:aibank@intnet.bj)

Banque Centrale Des Etats De L'Afrique De L'Ouest—BCEAO:

BP 325  
Cotonou, Benin  
Tel: +229 21-31-24-66/31-24-67  
Fax: +229 21-31-24-65

Banque Ouest Africaine de Developement—BOAD. Its Resident Chief of Mission:-:

Mr. Nicolas Klofffi,  
01 BP 325  
Agence Principale  
Av. Jean Paul II  
Cotonou, Benin  
Tel: +229 21-31-59-35  
Fax: +229 21-31-59-38  
Email: [nkoffi@firstnet.bj](mailto:nkoffi@firstnet.bj)

## **Project Financing**

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Lack of access to project financing is a problem, because it is a barrier to businesses growth. Bank loans are a minor source of investment financing and working capital for business in Benin. The majority of local businesses finance their own organizations.

For businesses that resort to the formal banking sector, the access to the traditional forms of project financing depends on the size of the company, verification of the borrowers' financial records by an external chartered accountant, access to the export markets as well as the reputation of the business. Businesses will find it difficult to obtain project financing by local banks if they are not well established in Benin and do not have good credit records. The West Africa Development Bank may be of interest for any businesses undertaking large project financing.

The U.S. Trade and Development Agency (USTDA), along with the African Development Bank (ADB), offers funds for feasibility studies.

## **Web Resources**

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: [http://www.exim.gov/tools/country/country\\_limits.html](http://www.exim.gov/tools/country/country_limits.html)

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

West African Economic and Monetary Union or UEMOA: <http://www.uemoa.int>

West Africa Central Bank or BCEAO: <http://www.bceao.int>

West Africa Development Bank or BOAD: <http://www.boad.org>

Ecobank: [www.ecobank.com](http://www.ecobank.com)

Societe Generale or SGBBE: [www.sogebenin.com](http://www.sogebenin.com)

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## **Chapter 8: Business Travel**

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- [Travel Advisory](#)
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### **Business Customs**

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Business relations are often conducted in person in Benin, or when each party has personally met. The official dress is suit and tie regardless of the weather.

### **Travel Advisory**

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Please see the State Department's travel advisory for Benin at [http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1066.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1066.html)

### **Visa Requirements**

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American visitors require visas to travel to Benin. Please obtain the appropriate visa from the nearest Benin Embassy prior to arrival. The Embassy of the Republic of Benin in the United States of America is located at 2124 Kalorama Road, N.W., Washington, D.C. 20008, telephone (202) 232-6656.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security options are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

U.S. Embassy Cotonou Visa Unit:  
<http://benin.usembassy.gov/informationandservices.html>

### **Telecommunications**

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There is only one landline telephone provider in Benin, the parastatal Benin Telecoms S.A. Potential subscribers to this service need to send their completed request for a

landline connection to this company with relevant supporting documents including copies of identity cards, property tax receipts or lease agreement.

High-speed internet connections are available at cyber cafes and hotels. Long term residents who wish to subscribe to internet service at their homes or businesses can choose between several ADSL or wireless internet service providers.

The use of the cellular phone (GSM) is largely developed and coverage includes most of Benin. There are presently five providers of mobile telephone service, and they offer monthly subscription and prepaid services.

## **Transportation**

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Visitors can arrive in Benin by air or by road. The different transportation options in country include bush taxis or buses for intercity transportation and motorbike taxis or car taxis within Cotonou and most other cities. Chauffeured cars can also be arranged in Cotonou.

## **Language**

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French is the lingua franca of Benin, which has multiple ethnicities with distinct languages. English is not commonly understood.

## **Health**

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Visitors should consult with a physician expert in tropical diseases regarding the advisability of a malaria suppressant. Although the U.S. Embassy cannot offer medical advice to the public, some medical professionals here recommend that visitors begin taking malaria suppressants (e.g. mefloquine) at least two weeks prior to arrival, and to observe all health practices appropriate for West Africa. All visitors must have a valid international health certificate ("WHO" Yellow Card/Carte Jaune De L'OMS) with proof that they have been vaccinated for yellow fever within the past 10 years. New vaccinations must be at least 10 days old to take effect; visitors who are vaccinated less than 10 days prior to arrival in Benin may be denied entry into the country.

## **Local Time, Business Hours, and Holidays**

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The official workweek in Benin is Monday to Friday. Most offices close for two to three hours at midday but remain open until 1830 or later.

The holidays are January 01 and 10 (New Year and Traditional Religion Day), March 24 for Easter Holiday, March (to be determined) for Maouloud, May 01 for Labor and Ascension Days, May 12 for Pentecostal Day, August 01 for Benin Independence Day, August 15 for Assumption Day, October (to be determined) for Ramadan or Eid-El-Fitr Day, November 01 for all Saints Day, December (to be determined) for Tabaski, and December 25 for Christmas Day.

## **Temporary Entry of Materials and Personal Belongings**

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Benin allows the temporary entry of material and personal belongings subject to customs clearance. Customs officers may decide to levy duty on these belongings depending on their use. Please see temporary entry in chapter 5 for more information.

## Web Resources

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State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

U.S. Embassy Cotonou Visa Unit:

<http://benin.usembassy.gov/informationandservices.html>

Benin's Embassy in the U.S.: [www.beninembassy.us](http://www.beninembassy.us)

U.S. State Department's Travel Advisory for Benin:

[http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1066.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1066.html)

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## Chapter 9: Contacts, Market Research, and Trade Events

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- [Market Research](#)
- [Trade Events](#)

### Contacts

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Agence Beninoise de Promotion des Echanges Commerciaux (Benin Agency for Promotion of Trade)

Mr. Chakirou Tidjani, Directeur General  
BP 1254  
Cotonou, Benin  
Tel: +229 21-30-13-20/30-13-97  
Fax: +229 21-30-04-36  
E-mail: [micpe.abepec@otitelecoms.bj](mailto:micpe.abepec@otitelecoms.bj)  
<http://www.abepec.intnet.bj>

Association de Developpement des Exportations-ADEX (Export Development Association)

Mr. Paul Agbangla, President  
01 BP 3554  
Cotonou, Benin  
Tel: +229 21-31-78-21/31-82-20  
Fax: +229 21-31-78-22  
E-mail: [adex@intnet.bj](mailto:adex@intnet.bj)

Chambre de Commerce et d'Industrie du Benin (CCIB)—Benin Chamber of Industry and Commerce

Secrétaire General  
BP 31  
Cotonou, Benin  
Tel: +229 21-31-20-81/31-43-86  
Fax: +229 21-31-32-99  
E-mail: [ccib@bow.intnet.bj](mailto:ccib@bow.intnet.bj)  
<http://www.ccibenin.org>

Direction de l'Alimentation et de la Nutrition Appliquée (Food Safety Control Office). This office is under the Ministry of Agriculture and can be contacted via:

Alexis Malete, Director of DANA BP 295  
Porto Novo, Benin  
Tel. +229 20-21-26-70  
Fax. +229 20-21-39-63

E-mail: [yombomalete@yahoo.fr](mailto:yombomalete@yahoo.fr)

Direction des Pharmacies (Pharmaceutical Products Control Office). This office is under the Benin Ministry of Health and can be reached via:

Tel : +229 21-33-21-78

Fax: + 229 21-33-04-64

U.S. Embassy Commercial Service

Tel. +229 21-30-06-50

Fax. +229 21 30-06-70

Email: [LotsuMC@state.gov](mailto:LotsuMC@state.gov)

Website: [www.cotonou.state.gov](http://www.cotonou.state.gov)

## **Market Research**

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/marketresearch.html> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

## **Trade Events**

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents.html>

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## Chapter 10: Guide to Our Services

The U.S. Foreign Commercial Service, often represented by US Embassy economic officers, offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services that the U.S. Commercial Service offers U.S. businesses, please click on the link below.

<http://www.buyusa.gov/westafrica/en/7.html>

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U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website: <http://www.export.gov>

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.